

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

STARRED QUESTION NO:60
ANSWERED ON:23.02.2001
DUMPING OF EDIBLE OILS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether various edible oils are being dumped in India by various countries;
- (b) if so, whether the domestic edible oil industry is facing a severe crisis in the wake of the dumping of different edible oils particularly by Malaysia and Indonesia; and
- (c) if so, the corrective steps the Government propose to take to help the domestic oil industry in the country?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a) to (c) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) LOK SABHA STARRED QUESTION NO. 60 FOR ANSWER
23.2.2001, REGARDING DUMPING OF EDIBLE OILS:

(a)&(b): No.Sir. There has been, however, some increase in the volume of imports of all Edible Oils in the Country recently. Volume of imports were about 29 lakh tonnes between Apr.-Oct. 2000 as against the total import of approximately 42 lakh tonnes during the whole of 1999-2000. However, Oilseeds production in the Country has been more or less stagnant at about 21 to 25 million tonnes. The international prices of Oil in general had exhibited a sharp downward trend between Apr. - Nov. 2000.

Increased imports in itself is not an evidence of dumping unless the dumping of the foreign goods, material injury to the domestic industry and causal link between these is prima-facie established. The Directorate General of Anti-Dumping & Allied Duties conducts investigation, if it is satisfied with the information received from the Collector of Customs or from any other source that sufficient evidence exists regarding dumping of the foreign goods, material injury to the domestic industry and causal link between the two. In the case of import of Edible Oils, no specific information or fully documented petition has been received from the domestic industry indicating any dumping or injury to the domestic producers and therefore, no investigations have been initiated as on date.

(c) Some of the measures taken by the Government to help the domestic industry are:

(i) Upward revision duty rate structure on Vegetable Oils of edible grade. The rates of duty have been changed with effect from 21.11.2000. The details are given below:

Crude	Refined
Rates of Duty	Rates of Duty
pre 21.11.2000	post 21.11.2000
pre 21.11.2000	post 21.11.2000

S.No.	Item	Total Duty	Total Duty	Total Duty	Total Duty
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1.	Soyabean Oil	27.5%	35%	44.04%	50.8%
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2.	Palm Oil (for manufac- ture of Vanaspati)	16.5%	25%	-	-
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3.	Palm Oil (for other than manufacture of Vanaspati)	50.8%	55%	50.8%	71.6%
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4.	RBD Palmolein	-	-	44.04%	71.6%
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5. Groundnut Oil	27.5%	35%	44.04%	50.8%
6. Sunflower/safflower	27.5%	35%	44.04%	50.8%
7 Coconut Oil	50.8%	45%	50.8%	50.8%
8. Rapeseed Oil	27.5%	35%	44.04%	50.8%
9. Colza or mustard Oil	27.5%	35%	44.04%	50.08%
10. Other Oils	27.5%	35%	50.8%	50.8%

(ii) The stipulation of Actual User Condition is designed to minimize the diversion of edible oils for usage not intended and thus, regulate the import of edible oils.

(iii) In order to give boost to the efforts for indigenous production of oilseeds and hence of edible oils, use of indigenous oils in the manufacture of vanaspati to at least 25% of the production on a monthly basis has been made mandatory. The measures should also help in effectively regulating the unrestricted import of edible oils.